

Unit Cost for a Potentially Operationally Useable F-35 in 2018

Based on F-35 Appropriations Costs Identified in 2018 DOD, USAF and USN Budget Request Materials located at DOD Comptroller Website at <http://comptroller.defense.gov/Budget-Materials/Budget2018/>

(Includes all hardware, modification/upgrade, and basing appropriation accounts specifically labelled to be for F-35s.)

FY 2018 Dollars, Millions

Appropriation Account	USAF F-35A (46 Requested)	USMC F-35B (20 Requested)	USN F-35C (4 Requested)	Comments
Procurement				
Aircraft Procurement	4,544.7	2,398.1	582.3	
Long Lead from Previous Year	404.5	233.6	80.9	
Long Lead for Future Years	780.3	413.5	263.1	FYI only: Intended for future year purchases, this money is not counted here as a 2018 F-35 unit price expense.
Modification of Aircraft	68.3	35.0	31.7	Intended for software and “concurrency” modifications (i.e. fixes for discovered design flaws) for previous aircraft, this money is a surrogate for likely future fixes and upgrades for the F-35s purchased in 2018. See also O&M Depot Maintenance and Aviation Logistics and R&D Follow-on Modernization below.
Initial & Replenishment Spares	320.8	144.8	77.2	
O&M				
Beddown, Spares, Depot Maintenance, Contractor Logistics Support, Aviation Logistics.	701.9	435.7	87.1	Funds identified to be for F-35 flight operations, such as training, are not included. Funds for F-35 hardware, “beddown,” depot maintenance (elsewhere identified as a “concurrency” cost), etc. are included. Navy budget materials identified \$522.9 million for both Navy and Marine Corps F-35 “Aviation

				Logistics," not otherwise broken down. That amount is distributed here commensurate with the ratio of Navy and Marine Corps aircraft requested.
Military Construction	305.5	15.7	None Identified	Locations specifically identified for F-35 MilCon expenses in 2018 were Eielson, Eglin, Lakenheath and Cherry Point. F-35 MilCon amounts vary significantly by amount, location and military service from year to year.
Research & Development				
Engineering, Manufacturing & Development	292.9	152.9	108.9	FYI-only: These amounts are for the SDD phase, including developmental and operational testing and are not included in the calculation of unit acquisition cost for hardware and upgrades.
"Squadrons" and "Follow On Modernization"	334.5	144.9	143.8	These amounts mostly are for planned upgrades and fixes for discovered deficiencies and are included in the calculation of unit acquisition cost.
Total Amount for Potentially Operationally Useable F-35 Variant	6680.2	3407.8	1003.0	The total for the three variants is \$11,091.1 million.
Potentially Operationally Useable F-35 Unit Cost (See Comments sections for what costs are not included.)	145.2	170.4	250.7	The weighted average cost of a generic 2018 F-35 is \$158.4 million.

Caveats:

Funds not explicitly identified for the F-35 program, such as operational flying hour costs, squadron level maintenance unit repairs and upgrades, civilian and military personnel costs and munitions developed for the F-35 fleet, are not included.

The cost over time of these 2018 F-35s may be higher, as the cost to fix problems discovered in final developmental and initial operational testing may likely increase over the surrogate values used here for “concurrency costs:” i.e. Modification of Aircraft, Follow-on Modernization, and O&M Depot Maintenance.

Because past contract announcements for F-35 contractors show that DOD uses appropriations from multiple fiscal years, both before and after the fiscal year of the purchase in question, the unit expenses for the 2018 aircraft purchase will also change, most likely upwards.